

## FUND SUMMARIES

## Fund Summaries and Five-Year Plan

### Adopted Fiscal Year 2004/05 Budget Fund Summary General Fund

|   | Actual<br>2002/03  | Adopted<br>2003/04 | Forecast<br>2003/04 | Adopted<br>2004/05 |
|---|--------------------|--------------------|---------------------|--------------------|
| <b>Source of Funds:</b>                   |                    |                    |                     |                    |
| <b>Beginning Fund Balance:</b>            |                    |                    |                     |                    |
| General Fund Reserve                      | 19,456,791         | 20,476,049         | 20,476,049          | 22,587,671         |
| Economic Investment                       | 5,000,000          | 4,220,550          | 4,220,550           | 9,819,205          |
| Operating Contingency                     | 2,822,626          | 1,700,000          | 2,500,000           | 2,500,000          |
| PY Open Purchase Orders                   | -                  | 4,400,000          | 4,400,000           | 4,400,000          |
| Unreserved Fund Balance                   | 3,316,687          | 1,756,774          | 1,691,732           | 7,110,176          |
| <b>Total Beginning Fund Balance</b>       | <b>30,596,104</b>  | <b>32,553,373</b>  | <b>33,288,331</b>   | <b>46,417,052</b>  |
| <b>Revenues:</b>                          |                    |                    |                     |                    |
| Taxes - Local                             |                    |                    |                     |                    |
| Privilege Tax                             | 79,703,549         | 77,377,547         | 82,959,405          | 84,821,709         |
| Property Tax                              | 15,552,166         | 16,572,708         | 16,572,708          | 17,630,083         |
| Transient Occupancy Tax                   | 6,688,189          | 6,600,000          | 6,800,000           | 6,732,000          |
| Light & Power Franchise                   | 5,146,431          | 5,464,150          | 5,114,150           | 5,216,433          |
| Cable TV                                  | 2,439,791          | 2,300,000          | 2,600,000           | 2,600,000          |
| Salt River Project Lieu Tax               | 197,263            | 202,864            | 202,864             | 202,864            |
| Fire Insurance Premium                    | 413,773            | 334,750            | 425,000             | 500,666            |
| Taxes - From Other Agencies               |                    |                    |                     |                    |
| State Shared Sales Tax                    | 15,853,113         | 15,414,564         | 16,214,564          | 16,538,855         |
| State Revenue Sharing                     | 21,574,128         | 18,016,757         | 18,016,757          | 18,016,757         |
| Auto Lieu Tax                             | 7,984,078          | 6,940,606          | 7,690,606           | 7,844,418          |
| Licenses, Permits & Fees                  |                    |                    |                     |                    |
| Development Permits & Fees                | 15,423,728         | 13,500,000         | 16,500,000          | 14,250,000         |
| Business Licenses & Fees                  | 1,816,248          | 1,756,408          | 1,756,408           | 1,826,664          |
| Recreation Fees                           | 2,205,283          | 2,183,009          | 2,183,009           | 2,237,584          |
| WestWorld                                 | 1,541,298          | 1,493,500          | 1,643,500           | 1,587,537          |
| Fines & Forfeitures                       |                    |                    |                     |                    |
| Court Fines                               | 4,150,871          | 3,713,666          | 3,375,916           | 3,916,833          |
| Parking Fines                             | 213,614            | 142,093            | 121,793             | 209,015            |
| Photo Radar Revenue                       | 764,760            | 1,079,896          | 937,946             | 1,117,908          |
| Library Fines                             | 404,760            | 454,573            | 404,573             | 404,573            |
| Interest Earnings/Property Rental         |                    |                    |                     |                    |
| Interest Earnings                         | 1,655,503          | 750,000            | 1,500,000           | 1,575,000          |
| Property Rental (MPC Debt)                | 2,529,464          | 3,280,000          | 3,000,000           | 3,370,000          |
| Other Revenue                             |                    |                    |                     |                    |
| Miscellaneous                             | 1,866,763          | 1,500,000          | 1,100,000           | 1,200,000          |
| Stormwater Water Quality Charge           | -                  | -                  | -                   | 612,000            |
| TSA/CSA Revenue                           | -                  | -                  | -                   | 1,321,489          |
| <b>Subtotal</b>                           | <b>188,124,773</b> | <b>179,077,090</b> | <b>189,119,199</b>  | <b>193,732,389</b> |
| <b>Transfers In</b>                       |                    |                    |                     |                    |
| Fleet Management Fund                     | 500,000            | -                  | -                   | -                  |
| Special Programs Fund (McCormick)         | 357,260            | 356,660            | 356,660             | -                  |
| Spec Rev - Public Safety Sales Tax (.10%) | -                  | -                  | -                   | 4,192,514          |
| In Lieu Prop Tax                          | 2,302,553          | 2,520,215          | 2,520,215           | 2,517,313          |
| Indirect Cost Allocation                  | 8,045,269          | 8,728,540          | 8,728,540           | 8,635,220          |
| Franchise Fee                             | 4,839,604          | 4,992,003          | 4,992,003           | 4,996,477          |
| Aviation Fund - CIP Advances/Security     | -                  | -                  | 259,051             | 63,587             |
| Water Fund - Security Contract            | -                  | -                  | -                   | 194,232            |
| Solid Waste Fund - Dntwn Maint Pilot Prog | -                  | -                  | -                   | 371,948            |
| <b>Subtotal</b>                           | <b>16,044,686</b>  | <b>16,597,418</b>  | <b>16,856,469</b>   | <b>20,971,291</b>  |
| <b>Total Revenues &amp; Transfers In</b>  | <b>204,169,459</b> | <b>195,674,509</b> | <b>205,975,668</b>  | <b>214,703,680</b> |
| <b>Use of Funds:</b>                      |                    |                    |                     |                    |
| <b>Departments</b>                        |                    |                    |                     |                    |
| General Government                        |                    |                    |                     |                    |
| Mayor & City Council                      | 612,156            | 734,937            | 727,411             | 737,879            |
| City Clerk                                | 632,315            | 648,932            | 648,932             | 669,981            |
| Elections                                 | 155,681            | 279,847            | 279,847             | 2,130              |
| City Attorney                             | 4,394,316          | 4,615,816          | 4,615,816           | 5,001,698          |
| City Auditor                              | 642,892            | 657,261            | 657,261             | 680,443            |
| City Court                                | 3,780,048          | 3,779,983          | 3,779,983           | 3,982,386          |

## FUND SUMMARIES

## Fund Summaries and Five-Year Plan

| Adopted Fiscal Year 2004/05 Budget<br>Fund Summary<br>General Fund |                    |                    |                     |                    |
|--|--------------------|--------------------|---------------------|--------------------|
|  | Actual<br>2002/03  | Adopted<br>2003/04 | Forecast<br>2003/04 | Adopted<br>2004/05 |
| City Manager   | 709,363            | 703,190            | 713,716             | 718,581            |
| CAPA   | 1,209,719          | 1,384,005          | 1,384,005           | 1,323,512          |
| IGR  | 416,283            | 447,910            | 447,910             | 714,782            |
| WestWorld  | 1,900,213          | 2,173,217          | 2,173,217           | 2,271,440          |
| The Downtown Group   | -                  | -                  | 79,975              | 3,923,439          |
| Preservation   | 518,366            | 708,583            | 708,680             | 687,733            |
| General Government Total   | 14,971,352         | 16,133,681         | 16,216,753          | 20,714,004         |
| Police   | 51,171,225         | 54,467,836         | 55,309,747          | 61,056,902         |
| Financial Services   | 7,630,558          | 7,487,934          | 7,457,298           | 7,678,835          |
| Community Services   | 41,634,874         | 42,816,213         | 42,816,213          | 41,875,590         |
| Information Systems  | 7,368,891          | 7,535,706          | 7,535,706           | 8,064,253          |
| Fire   | 17,744,691         | 19,469,293         | 19,276,830          | 21,053,763         |
| Municipal Services   | 385,331            | 540,252            | 540,252             | 537,783            |
| Citizen & Neighborhood Resources                                   | 2,436,132          | 2,872,198          | 2,894,254           | 3,018,850          |
| Human Resources  | 3,358,059          | 3,181,535          | 3,183,535           | 3,431,756          |
| Economic Vitality  | 6,262,988          | 6,513,994          | 6,463,994           | 6,280,477          |
| Planning & Development   | 11,546,365         | 12,563,814         | 12,558,717          | 12,756,970         |
| Estimated Department Expenditure Savings                           | -                  | (500,000)          | (500,000)           | (500,000)          |
| Estimated Vacant Position Savings                                  | -                  | (500,000)          | (1,687,155)         | (500,000)          |
| Estimated CIP Operating Impacts                                    | -                  | -                  | -                   | -                  |
| <b>Subtotal</b>  | <b>164,510,466</b> | <b>172,582,456</b> | <b>172,066,144</b>  | <b>185,469,183</b> |
| <b>Debt Service</b>  |                    |                    |                     |                    |
| MPC Bonds Trf Out  | 9,611,539          | 7,371,768          | 6,413,373           | 7,297,573          |
| MPC - Hospitality Funds Trf Out                                    | 50,000             | 194,495            | -                   | 273,429            |
| Nordstrom Garage Lease   | 1,612,119          | 2,160,372          | 1,890,703           | 2,115,546          |
| Waterfront Project   | -                  | -                  | 90,450              | 241,200            |
| Promenade Agreement  | 883,000            | 883,000            | 1,050,000           | 1,155,000          |
| Hotel Valley Ho  | -                  | -                  | 25,000              | 210,000            |
| Stacked 40   | -                  | -                  | -                   | 447,000            |
| All Other Contracts Payable  | 572,166            | 872,166            | 372,166             | 374,216            |
| <b>Subtotal</b>  | <b>12,728,824</b>  | <b>11,481,801</b>  | <b>9,841,692</b>    | <b>12,113,964</b>  |
| <b>Total Operating Budget</b>                                      | <b>177,239,290</b> | <b>184,064,257</b> | <b>181,907,836</b>  | <b>197,583,147</b> |
| <b>Transfers Out</b>   |                    |                    |                     |                    |
| CIP - General Fund Maintenance                                     | 4,781,710          | 3,525,500          | 3,525,500           | 3,702,900          |
| CIP - General Fund - Public Safety                                 | -                  | -                  | -                   | 5,800,000          |
| CIP - General Fund - All Other                                     | 8,098,600          | 3,299,800          | 3,299,800           | 7,200,000          |
| Other Transfers  | 141,172            | -                  | -                   | -                  |
| Special Revenue - Preservation Rehab Fund                          | -                  | -                  | -                   | 10,000             |
| Highway User Revenue Fund  | 10,554,202         | 3,175,625          | 3,051,449           | 3,691,538          |
| Self Insurance Fund  | -                  | 750,000            | 750,000             | 600,000            |
| Aviation Fund - Jet Fuel Tax                                       | -                  | -                  | 212,362             | 106,181            |
| Special Prog Fund - Affdbi Housing Grant Match                     | 100,000            | 100,000            | 100,000             | 100,000            |
| <b>Total Transfers Out</b>   | <b>23,675,684</b>  | <b>10,850,925</b>  | <b>10,939,111</b>   | <b>21,210,619</b>  |
| <b>Total Expenditures &amp; Transfers Out</b>                      | <b>200,914,974</b> | <b>194,915,182</b> | <b>192,846,947</b>  | <b>218,793,766</b> |
| <b>Revenue Over/(Under) Expenditures</b>                           | <b>3,254,485</b>   | <b>759,327</b>     | <b>13,128,721</b>   | <b>(4,090,087)</b> |
| <b>Ending Fund Balance</b>   |                    |                    |                     |                    |
| General Fund Reserve   | 20,225,267         | 20,803,313         | 22,587,671          | 24,273,545         |
| Economic Investment  | 4,220,550          | 4,019,205          | 1,819,205           | 9,014,884          |
| Operating Contingency  | 2,500,000          | 2,500,000          | 1,458,089           | 2,500,000          |
| Open Purchase Order Reserve  | 4,400,000          | 4,400,000          | 4,400,000           | 4,400,000          |
| Unreserved Fund Balance  | 2,504,772          | 1,590,181          | 16,152,087          | 2,138,536          |
| <b>Total Ending Fund Balance</b>                                   | <b>33,850,589</b>  | <b>33,312,700</b>  | <b>46,417,052</b>   | <b>42,326,966</b>  |

# FIVE-YEAR FINANCIAL PLAN

## Fund Summaries and Five-Year Plan

### Adopted Fiscal Year 2004/05 Budget Five-Year Financial Plan General Fund

|   | Adopted<br>2004/05 | Forecast<br>2005/06 | Forecast<br>2006/07 | Forecast<br>2007/08 | Forecast<br>2008/09 |
|---|--------------------|---------------------|---------------------|---------------------|---------------------|
| <b>Source of Funds:</b>                   |                    |                     |                     |                     |                     |
| <b>Beginning Fund Balance:</b>            |                    |                     |                     |                     |                     |
| General Fund Reserve                      | 22,587,671         | 24,273,545          | 25,010,123          | 25,878,121          | 26,800,336          |
| Economic Investment                       | 9,819,205          | 9,014,884           | 9,514,884           | 8,855,197           | 8,855,197           |
| Operating Contingency                     | 2,500,000          | 2,500,000           | 2,500,000           | 2,500,000           | 2,500,000           |
| PY Open Purchase Orders                   | 4,400,000          | 4,400,000           | 4,400,000           | 4,400,000           | 4,400,000           |
| Unreserved Fund Balance                   | 7,110,176          | 2,138,536           | 416,066             | (3,640,375)         | (8,414,900)         |
| <b>Total Beginning Fund Balance</b>       | <b>46,417,052</b>  | <b>42,326,966</b>   | <b>41,841,073</b>   | <b>37,992,943</b>   | <b>34,140,633</b>   |
| <b>Revenues:</b>                          |                    |                     |                     |                     |                     |
| Taxes - Local                             |                    |                     |                     |                     |                     |
| Privilege Tax                             | 84,821,709         | 87,718,519          | 90,780,499          | 93,931,771          | 96,774,920          |
| Property Tax                              | 17,630,083         | 18,674,566          | 19,784,981          | 20,762,840          | 21,789,028          |
| Transient Occupancy Tax                   | 6,732,000          | 6,933,960           | 7,141,979           | 7,356,238           | 7,576,925           |
| Light & Power Franchise                   | 5,216,433          | 5,372,926           | 5,534,114           | 5,700,137           | 5,871,141           |
| Cable TV                                  | 2,600,000          | 2,652,000           | 2,705,040           | 2,759,141           | 2,814,324           |
| Salt River Project Lieu Tax               | 202,864            | 202,864             | 202,864             | 202,864             | 202,864             |
| Fire Insurance Premium                    | 500,666            | 550,732             | 1,724,972           | 1,880,220           | 2,049,440           |
| Taxes - From Other Agencies               |                    |                     |                     |                     |                     |
| State Shared Sales Tax                    | 16,538,855         | 16,869,632          | 16,493,025          | 16,822,886          | 17,159,343          |
| State Revenue Sharing                     | 18,016,757         | 18,196,925          | 17,392,894          | 17,566,823          | 17,742,491          |
| Auto Lieu Tax                             | 7,844,418          | 8,001,306           | 8,161,333           | 8,324,559           | 8,491,050           |
| Licenses, Permits & Fees                  |                    |                     |                     |                     |                     |
| Development Permits & Fees                | 14,250,000         | 13,500,000          | 13,000,000          | 12,500,000          | 12,000,000          |
| Business Licenses & Fees                  | 1,826,664          | 1,899,730           | 1,975,720           | 2,054,748           | 2,136,938           |
| Recreation Fees                           | 2,237,584          | 2,282,336           | 2,327,983           | 2,374,542           | 2,422,033           |
| WestWorld                                 | 1,587,537          | 1,603,412           | 1,619,446           | 1,635,641           | 1,651,997           |
| Fines & Forfeitures                       |                    |                     |                     |                     |                     |
| Court Fines                               | 3,916,833          | 3,956,001           | 3,995,561           | 4,035,517           | 4,075,872           |
| Parking Fines                             | 209,015            | 213,195             | 217,459             | 221,808             | 226,245             |
| Photo Radar Revenue                       | 1,117,908          | 1,123,498           | 1,129,115           | 1,134,761           | 1,140,434           |
| Library Fines                             | 404,573            | 404,573             | 404,573             | 404,573             | 404,573             |
| Interest Earnings/Property Rental         |                    |                     |                     |                     |                     |
| Interest Earnings                         | 1,575,000          | 1,575,000           | 1,575,000           | 1,575,000           | 1,575,000           |
| Property Rental (MPC Debt)                | 3,370,000          | 3,288,400           | 3,354,168           | 3,421,251           | 3,489,676           |
| Other Revenue                             |                    |                     |                     |                     |                     |
| Miscellaneous                             | 1,200,000          | 1,200,000           | 1,200,000           | 1,200,000           | 1,200,000           |
| Stormwater Water Quality Charge           | 612,000            | 630,360             | 649,271             | 668,749             | 688,811             |
| TSA/CSA Revenue                           | 1,321,489          | 1,320,830           | 1,323,005           | 1,318,380           | 1,322,555           |
| <b>Subtotal</b>                           | <b>193,732,389</b> | <b>198,170,767</b>  | <b>202,693,002</b>  | <b>207,852,450</b>  | <b>212,805,662</b>  |
| <b>Transfers In</b>                       |                    |                     |                     |                     |                     |
| Fleet Management Fund                     | -                  | -                   | -                   | -                   | -                   |
| Special Programs Fund (McCormick)         | -                  | -                   | -                   | -                   | -                   |
| Spec Rev - Public Safety Sales Tax (.10%) | 4,192,514          | 3,660,231           | 3,870,033           | 4,094,959           | 4,338,500           |
| In Lieu Prop Tax                          | 2,517,313          | 2,665,589           | 2,919,707           | 3,109,488           | 3,311,605           |
| Indirect Cost Allocation                  | 8,635,220          | 8,721,572           | 8,808,788           | 8,896,876           | 8,985,845           |
| Franchise Fee                             | 4,996,477          | 5,205,487           | 5,404,824           | 5,615,612           | 5,834,621           |
| Aviation Fund - CIP Advances/Security     | 63,587             | 65,177              | 66,806              | 68,476              | 70,188              |
| Water Fund - Security Contract            | 194,232            | 199,088             | 204,065             | 209,167             | 214,396             |
| Solid Waste Fund - Dntwn Maint Pilot Prog | 371,948            | -                   | -                   | -                   | -                   |
| <b>Subtotal</b>                           | <b>20,971,291</b>  | <b>20,517,144</b>   | <b>21,274,224</b>   | <b>21,994,578</b>   | <b>22,755,155</b>   |
| <b>Total Revenues &amp; Transfers In</b>  | <b>214,703,680</b> | <b>218,687,911</b>  | <b>223,967,225</b>  | <b>229,847,028</b>  | <b>235,560,817</b>  |
| <b>Use of Funds:</b>                      |                    |                     |                     |                     |                     |
| <b>Departments</b>                        |                    |                     |                     |                     |                     |
| General Government                        |                    |                     |                     |                     |                     |
| Mayor & City Council                      | 737,879            | 778,631             | 811,610             | 842,790             | 874,918             |
| City Clerk                                | 669,981            | 707,924             | 738,358             | 767,030             | 796,581             |
| Elections                                 | 2,130              | 282,183             | 9,238               | 289,469             | 16,705              |
| City Attorney                             | 5,001,698          | 5,324,202           | 5,579,370           | 5,818,412           | 6,064,874           |
| City Auditor                              | 680,443            | 727,248             | 763,963             | 798,234             | 833,578             |
| City Court                                | 3,982,386          | 4,221,629           | 4,412,919           | 4,592,892           | 4,778,396           |
| City Manager                              | 718,581            | 788,670             | 831,512             | 871,577             | 912,890             |
| CAPA                                      | 1,323,512          | 1,402,965           | 1,466,500           | 1,526,278           | 1,587,894           |
| IGR                                       | 714,782            | 554,497             | 576,964             | 598,431             | 620,533             |

# FIVE-YEAR FINANCIAL PLAN

## Fund Summaries and Five-Year Plan

### Adopted Fiscal Year 2004/05 Budget Five-Year Financial Plan General Fund

|  | Adopted<br>2004/05 | Forecast<br>2005/06 | Forecast<br>2006/07 | Forecast<br>2007/08 | Forecast<br>2008/09 |
|--|--------------------|---------------------|---------------------|---------------------|---------------------|
| WestWorld                                      | 2,271,440          | 2,358,257           | 2,431,774           | 2,502,510           | 2,575,311           |
| The Downtown Group                             | 3,923,439          | 4,006,677           | 4,091,996           | 4,179,448           | 4,269,086           |
| Preservation                                   | 687,733            | 722,823             | 751,881             | 779,603             | 808,150             |
| General Government Total                       | 20,714,004         | 21,875,705          | 22,466,084          | 23,566,673          | 24,138,917          |
| Police   | 61,056,902         | 64,092,047          | 66,544,756          | 68,862,279          | 71,250,347          |
| Financial Services                             | 7,678,835          | 8,163,610           | 8,546,829           | 8,905,695           | 9,275,709           |
| Community Services                             | 41,875,590         | 43,439,778          | 45,116,128          | 46,717,415          | 48,366,236          |
| Information Systems                            | 8,064,253          | 8,536,687           | 8,913,899           | 9,268,593           | 9,634,201           |
| Fire   | 21,053,763         | 21,937,140          | 22,786,633          | 23,644,494          | 24,529,336          |
| Municipal Services                             | 537,783            | 589,019             | 609,207             | 628,501             | 648,368             |
| Citizen & Neighborhood Resources               | 3,018,850          | 3,181,684           | 3,312,717           | 3,436,319           | 3,563,697           |
| Human Resources                                | 3,431,756          | 3,631,820           | 3,792,090           | 3,942,995           | 4,098,530           |
| Economic Vitality                              | 6,280,477          | 6,469,270           | 6,649,885           | 6,831,168           | 7,017,230           |
| Planning & Development                         | 12,756,970         | 13,526,762          | 14,138,655          | 14,712,973          | 15,305,040          |
| Estimated Department Expenditure Savings       | (500,000)          | (500,000)           | (500,000)           | (500,000)           | (500,000)           |
| Estimated Vacant Position Savings              | (500,000)          | (500,000)           | (500,000)           | (500,000)           | (500,000)           |
| Estimated CIP Operating Impacts                | -                  | 1,262,000           | 2,459,500           | 5,116,300           | 6,357,000           |
| <b>Subtotal</b>                                | <b>185,469,183</b> | <b>195,705,524</b>  | <b>204,336,383</b>  | <b>214,633,406</b>  | <b>223,184,611</b>  |
| <b>Debt Service</b>                            |                    |                     |                     |                     |                     |
| MPC Bonds Trf Out                              | 7,297,573          | 3,217,046           | 3,212,421           | 5,364,091           | 5,189,411           |
| MPC - Hospitality Funds Trf Out                | 273,429            | 271,688             | 269,788             | 272,413             | 269,913             |
| Nordstrom Garage Lease                         | 2,115,546          | 2,179,011           | 2,244,382           | 2,311,715           | 2,381,066           |
| Waterfront Project                             | 241,200            | 444,810             | 438,944             | 285,476             | 293,626             |
| Promenade Agreement                            | 1,155,000          | 748,353             | -                   | -                   | -                   |
| Hotel Valley Ho                                | 210,000            | 150,000             | 160,000             | 170,000             | 180,000             |
| Stacked 40                                     | 447,000            | 787,500             | 827,000             | 868,000             | 912,000             |
| All Other Contracts Payable                    | 374,216            | 872,166             | 989,436             | 372,166             | 457,304             |
| <b>Subtotal</b>                                | <b>12,113,964</b>  | <b>8,670,574</b>    | <b>8,141,971</b>    | <b>9,643,861</b>    | <b>9,683,320</b>    |
| <b>Total Operating Budget</b>                  | <b>197,583,147</b> | <b>204,376,098</b>  | <b>212,478,354</b>  | <b>224,277,267</b>  | <b>232,867,931</b>  |
| <b>Transfers Out</b>                           |                    |                     |                     |                     |                     |
| CIP - General Fund Maintenance                 | 3,702,900          | 3,856,500           | 4,181,700           | 4,828,900           | 3,196,300           |
| CIP - General Fund - Public Safety             | 5,800,000          | 3,500,000           | 5,000,000           | 1,500,000           | 1,000,000           |
| CIP - General Fund - All Other                 | 7,200,000          | 3,000,000           | 2,000,000           | 2,000,000           | 2,000,000           |
| Other Transfers                                | -                  | -                   | -                   | -                   | -                   |
| Special Revenue - Preservation Rehab Fund      | 10,000             | 10,000              | 10,000              | 10,000              | 10,000              |
| Highway User Revenue Fund                      | 3,691,538          | 3,625,024           | 3,539,121           | 276,990             | 198,850             |
| Self Insurance Fund                            | 600,000            | 600,000             | 400,000             | 600,000             | 600,000             |
| Aviation Fund - Jet Fuel Tax                   | 106,181            | 106,181             | 106,181             | 106,181             | 106,181             |
| Special Prog Fund - Affdbl Housing Grant Match | 100,000            | 100,000             | 100,000             | 100,000             | 100,000             |
| <b>Total Transfers Out</b>                     | <b>21,210,619</b>  | <b>14,797,705</b>   | <b>15,337,002</b>   | <b>9,422,071</b>    | <b>7,211,331</b>    |
| <b>Total Expenditures &amp; Transfers Out</b>  | <b>218,793,766</b> | <b>219,173,803</b>  | <b>227,815,355</b>  | <b>233,699,338</b>  | <b>240,079,262</b>  |
| <b>Revenue Over/(Under) Expenditures</b>       | <b>(4,090,087)</b> | <b>(485,892)</b>    | <b>(3,848,130)</b>  | <b>(3,852,310)</b>  | <b>(4,518,445)</b>  |
| <b>Ending Fund Balance</b>                     |                    |                     |                     |                     |                     |
| General Fund Reserve                           | 24,273,545         | 25,010,123          | 25,878,121          | 26,800,336          | 27,718,718          |
| Economic Investment                            | 9,014,884          | 9,514,884           | 8,855,197           | 8,855,197           | 8,855,197           |
| Operating Contingency                          | 2,500,000          | 2,500,000           | 2,500,000           | 2,500,000           | 2,500,000           |
| Open Purchase Order Reserve                    | 4,400,000          | 4,400,000           | 4,400,000           | 4,400,000           | 4,400,000           |
| Unreserved Fund Balance                        | 2,138,536          | 416,066             | (3,640,375)         | (8,414,900)         | (13,851,727)        |
| <b>Total Ending Fund Balance</b>               | <b>42,326,966</b>  | <b>41,841,073</b>   | <b>37,992,943</b>   | <b>34,140,633</b>   | <b>29,622,188</b>   |

Revenues Over/(Under) Expenditures the \$4.1 million excess of total expenditures and transfers out over total revenues and transfers in is solely attributable to City Council's policy decision to fund the following "one-time" capital projects from FY 2003/04 carryover funding: \$2.0 million for neighborhood revitalization south of Camelback Road, \$2.0 million addition to the CIP general fund contingency, and \$0.2 million to replace the Police Mounted Patrol Unit's barn at WestWorld.

Beyond FY 2004/05 budget, the excess of total expenditures and transfers out over total revenues and transfers may be addressed through reductions in expenditures, improvements in revenue forecasts and/or a combination of these actions.